

Message Text

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ACTION ARA-14

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E.O. 11652: N/A
TAGS: OVIP (TERENCE J. TODMAN), ES
SUBJECT: PROPOSED TEXT OF SPEECH BY ASSISTANT SECRETARY OF STATE
TODMAN BEFORE AMERICAN CHAMBER OF COMMERCE OF EL SALVADOR

1. FOLLOWING IS DRAFT TEXT OF SPEECH FOR ASSISTANT SECRETARY OF
STATE TERENCE TODMAN TO BE DELIVERED AT THE AMERICA CHAMBER
OF COMMERCE LUNCHEON IN SAN SALVADOR ON 27 JANUARY.

QUOTE I AM VERY PLEASED TO HAVE THE OPPORTUNITY DURING MY
VISIT TO EL SALVADOR TO ADDRESS THE AMERICAN CHAMBER OF COMMERCE.
IT IS MY VIEW, AND IT IS THE VIEW OF THE UNITED STATES GOVERN-
MENT, THAT AMERICAN CHAMBERS OF COMMERCE ARE A POSITIVE FACTOR
IN OUR RELATIONS WITH OTHER NATIONS OF THE WORLD, AND PART-
ICULARLY WITH LATIN AMERICA. INTERNATIONAL RELATIONS ARE MUCH
MORE THAN FORMAL DIPLOMATIC RELATIONS BETWEEN SOVEREIGN
STATES. THEY COVER THE WHOLE RANGE OF RELATIONS BETWEEN PEOPLES -
THE FLOWS OF COMMERCE AND INVESTMENT, CULTURAL EXCHANGE,
MIGRATION, FAMILY TIES, THE INTERCHANGE OF SCIENTISTS
AND SCHOLARS, TOURISM - IN SHORT, THE WHOLE GAMUT OF HUMAN REL-
ATIONSHIPS. IN OUR VIEW, THE WHOLE WORLD BENEFITS WHEN THESE
RELATIONS ARE OPEN AND FREE. IN THIS CONTEXT, AMERICAN CHAMBERS,
AS INSTITUTIONS DEDICATED TO ENHANCING INTERNATIONAL COMMERCE
AND, PERHAPS MORE IMPORTANTLY, INTERNATIONAL UNDERSTANDING,
HAVE AN IMPORTANT ROLE TO PLAY.

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I WOULD LIKE TO MAKE SOME REMARKS TODAY ON UNITED STATES
FOREIGN POLICY, PARTICULARLY AS IT AFFECTS LATIN AMERICA, GIVING
SPECIAL EMPHASIS TO TWO FUNDAMENTAL ASPECTS OF THAT POLICY WHICH
I THINK MIGHT BE OF INTEREST TO THIS AUDIENCE; HUMAN RIGHTS
AND THE ATTACK ON WORLD PROVERTY.

UNDER THE CARTER ADMINISTRATION, A NEW EMPHASIS HAS BEEN

GIVEN TO UNITED STATES RELATIONS WITH LATIN AMERICA. FOR A VARIETY OF PROFOUND HISTORICAL, CULTURAL, IDEOLOGICAL AND ECONOMIC REASONS, NO AMERICAN GOVERNMENT CAN IGNORE ITS NEIGHBORS TO THE SOUTH. OVER THE LAST FEW YEARS HOWEVER, WE HAVE PERMITTED OURSELVES TO NEGLECT THE REGION, TAKING THE FRIENDSHIP AND SUPPORT OF THE LATINS FOR GRANTED, PERHAPS BECAUSE OF THEIR GEOGRAPHIC PROXIMITY AND OUR DISTRACTION WITH PROBLEMS IN OTHER PARTS OF THE WORLD. UNDER THE CARTER ADMINISTRATION, THIS HAS CHANGED. I WILL NOT BORE YOU BY CATALOGING THE SERIES OF HIGH-LEVEL VISITS TO THE REGION WHICH COULD BE CITED AS EVIDENCE OF THE IMPORTANCE OF THE REGION IN THE ADMINISTRATION'S EYES. SUFFICE IT TO SAY THAT PRESIDENT CARTER HAS PUT LATIN AMERICA AT THE VANGUARD OF U.S. FOREIGN RELATIONS.

LET ME HASTEN TO ADD HOWEVER, THAT THIS ADMINISTRATION, UNLIKE ITS PREDECESSORS, HAS NOT EVOLVED A CATCHY SLOGAN WITH WHICH TO CHARACTERIZE ITS APPROACH TO LATIN AMERICA. IF WE HAVE LEARNED ANYTHING IN THE LAST FEW YEARS, IT IS THAT THERE ARE NO EASY SOLUTIONS TO THE PROBLEMS FACING THE WORLD TODAY. THE LATIN AMERICAN REGION ITSELF IS A HIGHLY DIVERSE AREA, WITH A VARIETY OF COUNTRIES IN DIFFERENT STAGES OF DEVELOPMENT AND WITH DIFFERING INTERESTS AND ROLES TO PLAY ON THE WORLD STAGE. WE ARE NOT OFFERING LATIN AMERICA A PATER-NALISTIC, PACKAGED SOLUTION TO ITS PROBLEMS. WE ARE COMMITTED TO CONSULT FREELY, AS EQUALS, WITH THE NATIONS OF THE REGION AND TO COOPERATE WITH THEM IN SEARCH OF SOLUTIONS TO OUR COMMON LIMITED OFFICIAL USE

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REGIONAL AND GLOBAL PROBLEMS.

LET'S TAKE A BRIEF LOOK AT SOME OF THESE PROBLEMS AFFECTING LATIN AMERICA AND SEE HOW THE UNITED STATES IS ATTEMPTING TO DEAL WITH THEM.

I KNOW THAT ONE OF THE AREAS OF THE CARTER ADMINISTRATION'S POLICY WHICH HAS GENERATED A GREAT DEAL OF INTEREST AND CONTROVERSY HERE HAS BEEN OUR EMPHASIS ON THE IMPORTANCE OF RESPECT FOR HUMAN RIGHTS. LET'S BEGIN BY PUTTING THIS ISSUE IN A HISTORICAL CONTEXT. THE UNITED STATES GOVERNMENT, LET ALONE PRESIDENT CARTER, DID NOT INVENT HUMAN RIGHTS. THE CONCEPT OF HUMAN RIGHTS HAS BEEN AROUND, IN EXPLICIT FORM, FOR MORE THAN 200 YEARS, SINCE THE PERIOD WE KNOW AS THE ENLIGHTENMENT. THE IDEA OF HUMAN RIGHTS WAS GIVEN DRAMATIC HISTORICAL FORM IN THE AMERICAN DECLARATION OF INDEPENDENCE AND IN THE DECLARATION OF THE RIGHTS OF MAN, WHICH EMERGED FROM THE AMERICAN AND THE FRENCH REVOLUTIONS. THE LATIN AMERICAN STRUGGLE FOR INDEPENDENCE WAS NOURISHED BY THE SAME INTELLECTUAL CURRENTS AND MOST OF THE CONSTITUTIONS OF THE LATIN AMERICAN REPUBLICS WHICH EMERGED FROM THAT STRUGGLE CONTAINED EXPLICIT PROVISIONS FOR THE PROTECTION OF THE RIGHTS OF INDIVIDUALS. THUS, THE POLITICAL CONCEPT

OF HUMAN RIGHTS IS A BASIC COMMON ELEMENT TO THE FREE SOCIETIES WHICH EMERGED FROM THE ENLIGHTENMENT IN WESTERN EUROPE AND THE WESTERN HEMISPHERE.

THE IDEA OF HUMAN RIGHTS HAS NOT GONE UNCHALLENGED. THE DEMOCRACIES OF WESTERN EUROPE AND MANY OF THE NATIONS OF THIS HEMISPHERE FOUGHT TWO TERRIBLE WARS TO REPEL THE CHALLENGE OF TOTALITARIANISM. MORE RECENTLY, COMMUNIST REGIMES IN THE SOVIET UNION AND CHINA HAVE AGAIN POSED A THREAT TO OUR COMMON VALUES WHICH REQUIRE CONSTANT VIGILANCE ON OUR PART AND, EVEN MORE IMPORTANTLY, A RENEWED DEDICATION TO OUR VALUES AS DEMOCRATIC SOCIETIES.

MORE RECENT DEVELOPMENTS SUGGEST TO ME THAT SUCH A REDEDICATION IS OCCURRING IN THE FREE WORLD. SHORTLY AFTER WORLD WAR LIMITED OFFICIAL USE

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II, A MAJORITY OF THE NATIONS OF THE WORLD, INCLUDING THE UNITED STATES AND EL SALVADOR, SUBSCRIBED TO THE PRINCIPLES ENUNCIATED IN THE UNITED NATIONS DECLARATION OF HUMAN RIGHTS. THIS INTERNATIONAL INSTRUMENT BINDS ALL SIGNATORY GOVERNMENTS TO RESPECT BASIC HUMAN RIGHTS. CONSEQUENTLY, IN THE WORDS OF PRESIDENT CARTER, "NO MEMBER OF THE UNITED NATIONS CAN ALLEGE THAT THE MISTREATMENT OF ITS CITIZENS IS STRICTLY AN INTERNAL AFFAIR". SINCE THAT TIME, A GROWING INTERNATIONAL CONSENSUS HAS GIVEN INCREASING SUBSTANCE TO THESE UNDERTAKINGS. INTERNATIONALLY RESPECTED ORGANIZATIONS, SUCH AS AMNESTY INTERNATIONAL, HAVE GROWN UP TO COMBAT ABUSES WHEREVER THEY HAVE OCCURRED. IN THE UNITED STATES, PUBLIC OPINION HAS INCREASINGLY INSISTED THAT HUMAN RIGHTS CONSIDERATIONS BECOME AN INTEGRAL PART OF UNITED STATES FOREIGN POLICY. A SERIES OF LEGISLATIVE ENACTMENTS, DATING FROM WELL BEFORE THE INAUGURATION OF PRESIDENT CARTER, HAVE REQUIRED THAT OUR GOVERNMENT TAKE HUMAN RIGHTS INTO ACCOUNT IN DECISIONS ON BILATERAL ECONOMIC AND MILITARY ASSISTANCE AND ON OUR VOTES IN INTERNATIONAL DEVELOPMENT AGENCIES.

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PRESIDENT CARTER HAS PUT HUMAN RIGHTS AT THE CENTER OF U.S. FOREIGN POLICY. HE HAS DONE THIS, NOT AS A TEMPORARY POLITICAL EXPEDIENT, BUT RATHER IN RECOGNITION THAT OUR MORAL VALUES AS A NATION MUST BE THE BASIS OF OUR CONDUCT OF WORLD AFFAIRS. IN THIS, WE ARE SUPPORTED BY THE GOVERNMENTS OF MOST OF THE OTHER DEMOCRATIC COUNTRIES OF THE WORLD INCLUDING, I BELIEVE, BY THE GOVERNMENT OF EL SALVADOR. LET US BE CLEAR ON WHAT THE UNITED STATES IS TRYING TO DO. WE DO NOT PRESUME THAT ONLY WE ARE VIRTUOUS AND THAT WE HAVE A MISSION TO REFORM THE REST OF THE WORLD. WE DO NOT INTEND TO INTERFERE IN THE INTERNAL AFFAIRS OF ANY SOVEREIGN NATION AND WE DO NOT INTEND, NOR COULD WE SUCCEED, IN FORCING OUR IDEAS AND OUR WAYS OF DOING THINGS UPON ANY OTHER NATION. WE DO WISH TO MAKE IT CLEAR THAT OUR RELATIONS WITH ANY OTHER STATE WILL BE AFFECTED BY THE MANNER IN WHICH THAT STATE PROTECTS THE BASIC HUMAN RIGHTS OF ITS CITIZENS. THIS IS NOT ONLY MANDATED BY OUR LAW IT IS A FUNDAMENTAL PRINCIPLE OF OUR FOREIGN POLICY, IN EFFECT DEMANDED BY OUR PEOPLE. FURTHER, OUR GOVERNMENT IS WORKING TO STRENGTHEN INTERNATIONAL AGENCIES WHICH DEAL WITH HUMAN RIGHTS SO THAT PARTICULAR CASES CAN BE DEALT WITH MULTILATERALLY, BY THE COMMUNITY OF NATIONS. AN EXAMPLE OF THIS APPROACH IS OUR SUPPORT OF THE OAS' INTERAMERICAN HUMAN RIGHTS COMMISSION, WHICH HAS JUST COMPLETED A VISIT TO EL SALVADOR. WE BELIEVE THAT A STRONG, INDEPENDENT AND NEUTRAL INTERNATIONAL BODY WILL MAKE A SIGNIFICANT CONTRIBUTION TO IMPROVING THE OBSERVATION OF HUMAN RIGHTS.

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VANCE OF HUMAN RIGHTS AND TO REMOVE THE ISSUE FROM A BILATERAL CONTEXT.

I MAY SAY THAT WE HAVE BEEN HEARTENED BY THE IMPROVEMENT IN THE HUMAN RIGHTS PICTURE WHICH WE HAVE NOTED IN SEVERAL COUNTRIES IN THE HEMISPHERE OVER THE LAST FEW MONTHS. SOME GOVERNMENTS HAVE ANNOUNCED ELECTIONS; MANY POLITICAL PRISONERS HAVE BEEN FREED; AND THE NUMBER OF "MISSING PERSONS" IN MANY COUNTRIES HAS DECLINED. THE INTER-AMERICAN HUMAN RIGHTS COMMISSION HAS VISITED SEVERAL COUNTRIES TO HELP THEIR GOVERNMENTS IMPROVE CONDITIONS. IN THIS CONTEXT, I THINK THAT THE GOVERNMENT OF PRESIDENT ROMERO IS TO BE COMPLIMENTED FOR THE HONESTY AND COURAGE OF ITS DECISION TO INVITE THE HUMAN RIGHTS COMMISSION TO EL SALVADOR TO STUDY CONDITIONS HERE FIRST HAND AND MAKE AN OBJECT-

IVE REPORT TO THE WORLD COMMUNITY.

IN MY POSITION, I AM OF COURSE AWARE OF THE TRAGIC RESULTS OF TERRORIST ACTIONS, FROM BOTH THE LEFT AND THE RIGHT, IN THE PAST YEAR IN EL SALVADOR. THESE EVENTS HAVE LED SOME TO QUESTION THE POSSIBILITY OF COMBATTING TERRORISM AND RESPECTING HUMAN RIGHTS, ARGUING THAT A SOCIETY IN A VIRTUAL STATE OF WAR WITH TERRORISTS MUST SUSPEND THE OBSERVATION OF ITS BASIC VALUES IN ORDER TO DEAL EFFECTIVELY WITH A THREAT TO ITS VERY BEING. MY ANSWER TO THAT, IF THIS OCCURS, THE TERRORIST HAS WON THE WAR. THE TERRORIST IS THE MOST PROMINENT CURRENT EMBODIMENT OF THE TOTALITARIAN ALTERNATIVE TO OUR FREE SOCIETY. HE IS SO ALIENATED FROM THE SYSTEM UNDER WHICH WE LIVE THAT HE WILL TRY TO CHANGE IT BY VIOLENCE, ARROGATING TO HIMSELF A ROLE AS JUDGE, JURY AND EXECUTIONER OF HIS FELLOW CITIZENS. IF WE ACCEPT HIS JUDGEMENT OF OUR OWN SOCIETY AND USE HIS PRESENCE AS AN EXCUSE TO ABROGATE OUR FUNDAMENTAL VALUES, WE HAVE JOINED HIM IN HIS REJECTION OF THOSE VALUES.

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SOME MIGHT SAY, IT IS EASY FOR HIM TO TALK LIKE THIS, HE IS NOT HERE, ON THE FIRING LINE. BUT THE UNITED STATES IS NO STRANGER TO TERRORISM. SEVERAL OF MY COLLEAGUES IN THE UNITED STATES FOREIGN SERVICE HAVE DIED AT THE HANDS OF TERRORISTS. OUR GOVERNMENT IN NO WAY CONDONES TERRORISM, ON THE CONTRARY, WE BELIEVE THAT EVERY GOVERNMENT HAS THE OBLIGATION TO COMBAT TERRORISM AND OTHER THREATS TO PUBLIC ORDER WITH ALL LEGAL MEANS AT ITS DISPOSAL. AT THE SAME TIME, WE THINK IT IS OF CRUCIAL IMPORTANCE THAT THE BASIC RIGHTS OF CITIZENS NOT BE SACRIFICED IN THIS EFFORT. OUR GOVERNMENT IS ALSO CONVINCED THAT INTERNATIONAL ACTION IS NECESSARY TO DEAL WITH TERRORISM. WE APPLAUD THE RECENT CONDEMNATION OF TERRORISM IN THE AIR BY THE UNITED NATIONS GENERAL ASSEMBLY AS A POSITIVE STEP FORWARD IN MULTILATERAL COOPERATION TO DEAL WITH AN INTERNATIONAL PROBLEM WHICH IS A THREAT TO ALL NATIONS.

OBVIOUSLY, IN DEALING WITH HUMAN RIGHTS, WE SHOULD NOT NEGLECT THE MOST FUNDAMENTAL RIGHTS OF ALL - THE RIGHT TO A DECENT STANDARD OF LIVING, TO ADEQUATE NUTRITION, HEALTH AND HOUSING, TO EMPLOYMENT AND TO THE POSSIBILITY OF A BRIGHTER FUTURE FOR ONE'S CHILDREN. UNFORTUNATELY, AT THE PRESENT TIME, THE MAJORITY OF THE WORLD'S POPULATION CANNOT BE SAID TO ENJOY THESE RIGHTS FULLY. THIS IS CERTAINLY TRUE OF LATIN AMERICA AS A REGION.

ALTHOUGH THE DISGRACE OF WORLD POVERTY HAS BEEN WITH US FOR A LONG TIME, SOME DEVELOPMENTS IN RECENT YEARS HAVE MADE THE PROBLEM MORE DIFFICULT TO DEAL WITH. OVER RECENT DECADES, IMPROVEMENTS IN MEDICAL TECHNOLOGY HAVE REDUCED DEATH RATES IN THE DEVELOPING WORLD. THE LACK OF A CORRESPONDING DECLINE

IN FERTILITY HAS LED TO A VIRTUAL EXPLOSION OF THE WORLD'S POPULATION, INCREASING PRESSURES ON SCARCE RESOURCES AND EATING UP IMPRESSIVE GAINS IN PRODUCTIVITY WHICH THE DEVELOPING WORLD HAS ATTAINED SINCE WORLD WAR II. HERE IN EL SALVADOR, THERE IS NO NEED FOR ME TO DWELL AT LENGTH ON THIS PHENOMENON. IN MORE RECENT YEARS, FUNDAMENTAL CHANGES HAVE TAKEN PLACE IN WORLD ECONOMIC RELATIONSHIPS WHICH FURTHER HAMPER OUR EFFORTS LIMITED OFFICIAL USE

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TO DEAL WITH WORLD POVERTY. THE FORMATION OF AN ENERGY CARTEL IN THE EARLY YEARS OF THIS DECADE HAS RESULTED IN A FUNDAMENTAL SHIFT IN THE DISTRIBUTION OF WORLD INCOME TOWARD A FEW STATES FORTUNATE ENOUGH TO BE BLESSED WITH SUBSTANTIAL PETROLEUM RESOURCES. THE MAJORITY OF DEVELOPING COUNTRIES ARE NOT INCLUDED IN THIS CHARMED CIRCLE AND HAVE HAD TO BEAR THE FULL BURDEN OF THE FIVEFOLD INCREASE IN ENERGY PRICES WHICH HAS RESULTED, AN ALL TOO AMILIAR TRANSFER OF INCOME FROM THE POOR TO THE RICH. IN A RELATED DEVELOPMENT, THE WORLD'S INDUSTRIAL NATIONS HAVE HAD TO DEAL WITH A BAFFLING COMBINATION OF INFLATION AND RECESSION (BOTH PARTLY DUE TO THE QUANTUM JUMP IN ENERGY PRICES, BUT ALSO TO OTHER FACTORS). WHILE THE ECONOMIC SITUATION OF THE UNITED STATES AND OTHER INDUSTRIAL DEMOCRACIES HAS IMPROVED SUBSTANTIALY SINCE THE DARK DAYS OF 1974 AND 1975, UNEMPLOYMENT REMAINS STUBBORNLY HIGH AND PRICE STABILITY ELUSIVE. APOCALYPTIC VISIONS OF WORLD ECONOMIC COLLAPSE ARE NOW IN VOGUE IN THE UNITED STATES.

THIS ATMOSPHERE OF INCREASED ECONOMIC STRESS HAS PRODUCED TWO CONFLICTING TRENDS. ON THE ONE HAND, DEMANDS FROM THE DEVELOPING COUNTRIES FOR AMORE EQUITABLE DISTRIBUTION OF THE WORLD'S WEALTH HAVE INCREASED. IN RECENT YEARS, THESE DEMANDS HAVE SOMETIMES REACHED AN UNCOMPROMISING, RADICAL PITCH WHICH HAS MADE NEGOTIATION NEXT TO IMPOSSIBLE. ON THE OTHER HAND, IN THE INDUSTRIAL DEMOCRACIES, INCLUDING THE UNITED STATES, HIGH RATES OF UNEMPLOYMENT COMBINED WITH UNPRECEDENTED INFLATION HAVE GREATLY STRENGTHENED LATENT PROTECTIONIST PRESSURES. THUS, WHILE THE WORLD'S HAVE-NOTS HAVE STEPPED UP THEIR DEMAND FOR A LARGER SHARE OF THE PIE, PUBLIC OPINION IN THE DEVELOPED COUNTRIES AND PARTICULARLY IN THE UNITED STATES, HAS BEEN INCREASINGLY CRITICAL OF FURTHER CONCESSIONS DESIGNED TO SHARE MORE FAIRLY THE WORLD'S ECONOMIC PRODUCT.

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IN THIS DIFFICULT ENVIRONMENT, THE UNITED STATE'S POLICY RESPONSE HAS BEEN THREEFOLD: (1) A STRONG EFFORT TO PRESERVE THE FREE FLOWS OF WORLD TRADE AND INVESTMENT WHICH HAVE BEEN RESPONSIBLE FOR MUCH OF THE RAPID GROWTH EXPERIENCED SINCE WORLD WAR II; (2) MAINTENANCE OF THE FLOW OF CONCESSIONAL ASSISTANCE TO THE DEVELOPING NATIONS OF THE WORLD; AND (3) EXPLORATION IN INTERNATIONAL FORA OF FURTHER MEANS TO REDUCE THE GAP BETWEEN RICH AND POOR NATIONS.

IN THE VIEW OF OUR GOVERNMENT, THE FREE PLAY OF MARKET FORCES PROVIDES THE BEST MEANS OF ASSURING THE MAXIMUM ECONOMIC BENEFIT TO ALL, IN A NATION AS IN THE WORLD. ACCORDINGLY, U.S. POLICY REMAINS COMMITTED TO THE PRINCIPLES OF FREE TRADE AND THE FREEL FLOW OF INVESTMENT. THE PRINCIPLE OF FREE TRADE IS TODAY UNDER STRONGER ATTACK THAN AT ANY TIME SINCE THE WORLD DEPRESSION OF THE 1930'S. IN OUR VIEW, THE BEST HOPE FOR PREVENTING A RELAPSE INTO ANOTHER PERIOD OF PROTECTIONISM IS TO ACHIEVE A SUCCESSFUL OUTCOME IN THE MULTILATERAL TRADE NEGOTIATIONS NOW CULMINATING IN GENEVA. IF THESE TALKS FAIL TO PRODUCE A SATISFACTORY OUTCOME AND THE WORLD LAPSES FURTHER INTO A SYSTEM OF PROTECTIONIST TRADING BLOCS, THE DEVELOPING COUNTRIES WILL SUFFER MORE THAN THE LARGE INDUSTRIALIZED COUNTRIES. AS I AM SURE MANY OF YOU KNOW FROM PERSONAL EXPERIENCE, IT IS HARD FOR NON-TRADITIONAL PRODUCTS FROM DEVELOPING COUNTRIES TO PENETRATE THE LUCRATIVE MARKETS OF THE INDUSTRIALIZED

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COUNTRIES. IF THE PROTECTIONISTS HAVE THEIR WAY, IT WILL BE

WELL-NIGH IMPOSSIBLE. ACCORDINGLY, WE HOPE THAT THE GOVERNMENTS OF THE DEVELOPING WORLD WILL PARTICIPATE TO THE FULLEST EXTENT POSSIBLE IN THE GENEVA NEGOTIATIONS TO ASSURE AN OUTCOME SATISFACTORY TO ALL.

IT WOULD BE NATURAL FOR SOME OF YOU IN THIS AUDIENCE TO QUESTION THE SINCERITY OF THE U.S. GOVERNMENT'S DEVOTION TO THE CAUSE OF FREE TRADE, KNOWING AS YOU DO THAT EL SALVADOR HAS SUFFERED FROM SOME RECENT TRADE POLICY ACTIONS OF OUR GOVERNMENT. THE CASE OF SUGAR IS A RECENT EXAMPLE, KNOWN TO ALL OF YOU I AM SURE. IF WE EXAMINE IT MORE CLOSELY, I THINK IT WILL SHOW THE GOOD INTENTIONS OF OUR GOVERNMENT. IN THE FACE OF A DIFFICULT SITUATION FOR ALL SUGAR PRODUCERS, INCLUDING A SUBSTANTIAL INDUSTRY IN THE U.S., OUR GOVERNMENT HAS COOPERATED FULLY IN FORMULATING AN INTERNATIONAL SOLUTION TO THE PROBLEM AND HAS TAKEN THE MINIMUM MEASURES NECESSARY TO PREVENT DISASTER FOR THE DOMESTIC INDUSTRY UNTIL THE AGREED INTERNATIONAL SOLUTION CAN BE PUT INTO EFFECT. SUGAR PRODUCERS SELL A BASIC AGRICULTURAL COMMODITY AND, LIKE MOST OTHER PRODUCERS OF BASIC COMMODITIES, THEY HAVE LITTLE OR NO CONTROL OVER THE PRICE AT WHICH THEIR PRODUCT IS SOLD IN WORLD MARKETS. THERE ARE TOO MANY OF THEM TO EFFECTIVELY COORDINATE PRODUCTION POLICIES. THEY HAVE NO MARKET POWER. ACCORDINGLY, WHEN THE PRICE IS HIGH, PRODUCTION EXPANDS, OVERSUPPLY RESULTS, THE PRICE DROPS, AND SO ON, A CYCLE OF BOOM AND BUST AD INFINITUM. EXAGGERATED PRICE FLUCTUATIONS ARE IN THE INTEREST OF NEITHER PRODUCER NOR CONSUMER, AND MOST GOVERNMENTS, INCLUDING OUR OWN, HAVE CONCLUDED THAT SOME TYPE OF GOVERNMENT INTERVENTION IS IN ORDER TO LET THE MARKET WORK WITHOUT RUINOUS FLUCTUATIONS. AS A RESULT, PRODUCER AND CONSUMER NATIONS, AFTER CONSIDERABLE EFFORT, WORKED OUT A SATISFACTORY INTERNATIONAL SUGAR AGREEMENT IN GENEVA LAST SEPTEMBER. THIS AGREEMENT IS LIMITED OFFICIAL USE

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THE CENTERPIEC OF U.S. SUGAR POLICY. UNTIL THE INTERNATIONAL SUGAR AGREEMENT HAS HAD ITS INTENDED EFFECT OF RAISING WORLD SUGAR PRICES TO AT LEAST 13.5 CENTS A POUND, THE ADMINISTRATION HAS BEEN MANDATED BY LAW TO MAINTAIN U.S. DOMESTIC SUGAR PRICES AT THAT LEVEL. TO DO THIS, IMPORTS MUST BE CONTROLLED AND THIS, OF COURSE, IS THE PURPOSE OF THE SYSTEM OF NEW TARIFFS AND FEES IMPOSED ON SUGAR IMPORTS LAST NOVEMBER. THE SYSTEM OF TARIFFS AND FEES WAS CHOSEN OVER THE MAJOR ALTERNATIVE OF QUOTAS AS BEING LESS RESTRICTIVE OF TRADE AND YET PROVIDING THE MINIMUM ESSENTIAL PROTECTION TO OUR DOMESTIC INDUSTRY REQUIRED AS A MATTER OF LEGISLATION AND PRUDENT POLICY. FINALLY, THE MEASURE IS DESIGNED, BY LAW, TO BE TEMPORARY UNTIL THE BASIC ELEMENT OF OUR SUGAR POLICY, THE INTERNATIONAL SUGAR AGREEMENT, TAKES FULL EFFECT.

WE HAVE DISCUSSED AT LENGTH OUR ACTIONS ON SUGAR WITH

CONCERNED LATIN AMERICAN GOVERNMENTS. I CAN ASSURE YOU THAT, IN THIS IDIFFICULT SITUATION, THE U.S. GOVERNEMTN WILL DO ITS BEST TO MINIMIZE THE EFFECT OF OUR ACTION ON OUR LATIN AMERICAN TRADING PARTNERS.

WHILE THE FREE FLOW OF GOODS AND CAPITAL IS, IN OUR VIEW, THE BASIC CONDITION FOR WORLD ECONOMIC PROSPERITY, IT IS EQUALLY CLEAR THAT SIZEABLE DIRECT TRANSFERS OF RESOURCES FROM THE WEALTHY TO THE POORER NATIONS WILL ALSO BE ESSENTIAL FOR THE FORESEEABLE FUTURE. IN SPITE OF AN UNFAVORABLE POLITICAL CLIMATE FOR AID PROGRAMS, THE CARTER ADMINISTRATION HAS INCREASED THE UNITED STATES' ALREADY SUBSTANTITAL CONTRIBUTION TO THE FLOW OF CONCESSIONAL AID TO THE DEVELOPING COUNTRIES. TO FOCUS ON THE LATIN AMERICAN REGION, THE U.S. THIS YEAR PLEDGED AN ADDITIONAL \$500 MILLION DOLLARS TO HELP REPLENISH THE CAPITAL OF THE INTER-AMERICAN DEVELOPMENT BANK. IN ADDITION, SUBSTANDITAL INCREASE IN OUR BILATERAL ASSISTANCE PGORAMS FOR THE ARE ARE UNDER WAY, AIMED AT DIRECTLY BENEFITTING THE LOWEST INCOME SECTORS IN RECIPIENT COUNTRIES. FINALLY, OUR GENERALIZED SYSTEM OF PREFERENCES ALLOWS DUTY-FREE ENTRY INTO THE U.S. LIMITED OFFICIAL USE

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MARKTET FOR ALONG LIST OF MANUFACTURES AND SEMI-PROCESSED PRODUCTS FROM LATIN AMERICAN COUNTRIES.

FINALLY, UNDER THE CARTER ADMINISTRATION, THE UNITED STATES HAS MOVED TO ENGAGE IN CONSTRUCTIVE DISCUSSION WITH THE DEVELOPING COUNTRIES OF MEANS BY WHICH SOME OF THE DEMANDS BY THOSE COUNTRIES FOR A RESTRUCTURING OF THE WORLD ECONOMY CAN BE MET. OBVIUUSLY, THE MORE EXTREME DEMANDS OF SOME OF THE PROPONENTS OF A "NEW INTERNATIONAL ECONOMIC ORDER" CANNOT BE MET NOR WOULD THEY, IN OUR VIEW, NECESSARILY BENEFIT THE DEVELOPING COUNTRIES THEMSELVES. IN THE CASE OF COMMODITIES (RECALLING OUR EARLIER DISCUSSION OF SUGAR) THE UNITED STATES HAS RECENTLY MOVED TO A MORE FLEXIBLE POSITION ON THE DESIRABILITY, AT LEAST IN SOME CASES, OF INTERNATIONAL AGREEMENTS TO STABILIZE PRODUCTION AND PRICES. WE HAVE PARTICIPATED ACTIVELY AND CONSTRUCTIVELY IN UNITED NATIONS-SPONSORED NEGOTIATINS ON COMMODITIES, ON THE ENVIRONMENT, ON THE ROLE OF SCIENCE AND TECHNOLOGY IN DEVELOPMENT, AND ON A CODE OF CONDUCT TO GOVERN THE RELATIONS OF MULTINATIONAL CORPORATIONS AND HOST GOVERNMENTS. EVEN IN THE CASE OF PROPOSALS CONCERNING WHICH OUR GOVERNMENT HAS SERIOUS DOUBTS, SUCH AS THAT FOR A "COMMON FUND" TO SUPPORT COMMODITY STOCKPILE ARRANGEMENTS, WE HAVE PARTICIPATED ACTIVELY AND CONSTRUCTIVELY IN INTERNATIONAL DISCUSSIONS.

IN CONCUSLION, I WOULD LIKE TO OBSERVICE THAT THE TWO FUNDAMENTAL THEMES I HAVE DISCUSSED TODAY - HUMAN RIGHTS AND THE PROBLEM OF WORLD POVERTY - ARE CLOSELY RELATED. THE POLITICAL FREEDOM TO WHICH WE ALL ASPIRE CAN HAVE LITTLE MEANING

TO MEN WHOSE DAILY EXISTENCE IS A STRUGGLE FOR SURVIVAL. ACCORD-
INGLY, OUR EFFORT TO ACHIEVE A HIGHER STANDARD IN THE OBSERVATION
OF BASIC HUMAN RIGHTS IMPLIES A PARALLEL EFFORT TO ERADICATE
WORLD POVERTY. IN ORDER TO FREE THE POLITICAL PRISONERS
WE MUST ALSO FREE THE ECONOMIC PRISONERS. A GOOD MANY
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DANGEROUS AND DIFFICULT PROBLEMS CONFRONT U.S. POLICY
AROUND THE WORLD - RELATIONS WITH SOVIET UNION AND THE
REST OF THE COMMUNIST WORLD, THE EFFORT FOR PEACE IN THE MIDDLE
EAST, THE POWDERKEG OF SOUTHERN AFRICA - BUT IT SUBMIT
TO YOU THAT NO ELEMENT OF OUR POLICY IS MORE IMPORTANT IN THE
LONG RUN THAN THOSE I HAVE DISCUSSED. THEY ADD UP TO A
QUEST FOR ENHANCED HUMAN DIGNITY WHICH IS NOW AND I HOPE
ALWAYS WILL BE THE FOUNDATION OF AMERICAN FOREIGN POLICY.
UNQUOTE.

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Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: d9cacfe2-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 10
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3762283
Secure: OPEN
Status: NATIVE
Subject: PROPOSED TEXT OF SPEECH BY ASSISTANT SECRETARY OF STATE TODMAN BEFORE AMERICAN CHAMBER OF COMMERCE OF EL SALVADOR
TAGS: OVIP, ES, (TODMAN, TERENCE J)
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/d9cacfe2-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014